

SIKKIM

GOVERNMENT **GAZETTE**

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No. 272

GOVERNMENT OF SIKKIM
HOME DEPARTMENT
GANGTOK

No. 37/HOME/2005

Dated 25.06.2005.

NOTIFICATION

The State Government is pleased to constitute a committee comprising of the following officers to examine the precision of part IV on Municipal Revenue in the Preliminary Draft of Sikkim Municipal Bill 2005.

The Committee shall consist of the following officer bearers:-

- | | | | |
|----|---|---|-------------------|
| 1. | Mr. K.N. Sharma,
Secretary,
Land Revenue & Disaster Management Department,
Government of Sikkim. | - | Chairman. |
| 2. | Mr. K.N. Bhutia,
Special Secretary (Finance),
IT & CT, Government of Sikkim. | - | Member. |
| 3. | Mr. P. Wangdi,
Controller of Finance & Accounts,
Government of Sikkim. | - | Member. |
| 4. | Mr. H.K. Karki,
Special Secretary, UD & HD,
Government of Sikkim. | - | Member. |
| 5. | Mr. Phukhyam Bhutia,
Joint Secretary, Law & P.A. Department,
Government of Sikkim. | - | Member. |
| 6. | Mr. M.N. Dhakal,
Deputy Secretary (A/T), UD & HD,
Government of Sikkim. | - | Member Secretary. |

The Terms of Reference of the committee will broadly include the following:

1. To ensure the self sufficiency of municipal finances eventually, to the examine the provisions as incorporated in the preliminary Draft of the Sikkim Municipal Bill, 2005 relating to the following:-
 - source of internal revenue (clause 100 to 107),
 - Tax on Lands and Buildings and related taxes including rate structures (clauses 109 to 108 and 130 to 140 (with commission of any references to any Tribunal as provided In the Draft legislation)
 - Incidence of property tax (clauses 141 to 147),
 - Levy of other surcharges and taxes (clauses 141 to 151),
 - Tax on advertisement other than advertisement of newspaper (clause 154)
 - Other taxes and tolls (clauses 160 to 165), and weather

- Any other tax may be levied at the points per inter-state transfers, by goods vehicles, by roads, into Sikkim.
2. To examine the base and the rate structure for levy of the tax on lands and buildings having regards to the deficiencies of the rent-based valuation system and taking due note of the new area-linked systems now being adopted in the Municipal laws in various States.
 3. To specify the basis for defining the unit of assessment.
 4. To specify the basis of self-assessment.
 5. To propose the strategy for implementation of the tax and non tax revenue proposals of Sikkim coverings-
 - different levels of Municipalities, different classes of Bazars, as also the Rural marketing Centers to be declared as Nagar Panchayats,
 - premises used for non-residential purposes,
 - premises as may be totally exempted from the purview of taxation, particularly in the urbanizing fringes as may be notified by the State Government in any municipal area, and
 - other exempted premises such as buildings used exclusively for religious worship, control government properties excluding the vested properties, and others as may be specified including those for the purpose of weaker section housing.
 6. To provide a very moderate level of taxation, if considered desirable for the considerations, on residential premises also, but built on lands above the notified plot area limits.
 7. To provide for mapping to ensure full coverage of all those liable to pay taxes by use of the unique premises numbering system.

In addition to the above, the committee may place special focus on powers to levy taxes, in various levels of Municipalities including different classes of Bazars and the 38 Rural Marketing Centres which may be classified as Nagar (Bazar Panchayat).

Special regard may be given to the political, economic, revenue and administrative implications, all considered together, on the basis of which the recommendations for revising the provision in the Preliminary Draft of the legislation may be made.

Further a list of enclosure has been enclosed. The committee will like to consider the explanatory Memorandum on Municipal Revenues as contained in the enclosure, for its background information. The committee should submit its report to the Commissioner-cum-Secretary, Urban Development and Housing Department, Government of Sikkim by 05/07/2005.

BY ORDER AND IN THE NAME OF THE GOVERNOR.

D. P. SHARMA
Additional Secretary
F. No. GOS/UD & HD/6 (253) 05